



Establishment Employment in Rhode Island, 2005



In 2005, Rhode Island employers added 3,100 jobs (+0.6%) to the local economy according to new data released by the Department of Labor and Training's Labor Market Information unit. Throughout the year, Ocean State businesses reported an average of 491,600 jobs, the highest annual average on record. The 2004 annual average establishment employment total was revised to 488,500 jobs.

Year-over-year employment growth was reported in every month of the 2005 calendar year, with the largest gains occurring in April (+5,100), July (+3,800), June (+3,400), August (+3,400), and November (+3,400). In fact, the state has experienced year-over-year gains in total nonfarm employment for forty-four straight months, dating back to May 2002.

Between 2004 and 2005, annual average job growth was reported in Educational & Health Services (+2,400), Professional & Business Services (+1,700), Construction (+900), Financial Activities (+500), Leisure & Hospitality

(+400), and Natural Resources & Mining (+100). Over-the-year declines in establishment employment were reported in five industry sectors, led by Manufacturing (-1,900), Government (-400), and Other Services (-200). A small number of Trade, Transportation & Utilities (-100) and Information (-100) jobs were also lost during this period.

On a percentage basis, annual average establishment employment in Construction rose by 4.3 percent, followed by Professional & Business Services (+3.2%) and Educational & Health Services (+2.6%). Lower rates of over-the-year job growth were reported in Financial Activities (+1.5%) and Leisure & Hospitality (+0.8%).

Manufacturing's job losses translated into a 3.3 percent decline in annual average employment between 2004 and 2005. Other Services (-0.9%), Information (-0.9%), and Government (-0.6%) employers also shed jobs over the year.

2004 & 2005 Rhode Island Annual Average Establishment Employment Not Seasonally Adjusted (In Thousands)

	2004	2005	Change	% Change
TOTAL NONFARM	488.5	491.6	3.1	0.6%
Total Private	423.0	426.5	3.5	0.8%
Goods Producing	78.2	77.3	-0.9	-1.2%
Natural Resources & Mining	0.2	0.3	0.1	50.0%
Construction	21.0	21.9	0.9	4.3%
Manufacturing	57.0	55.1	-1.9	-3.3%
Durable Goods	37.5	36.2	-1.3	-3.5%
Non-Durable Goods	19.5	18.9	-0.6	-3.1%
Service Providing	410.3	414.3	4.0	1.0%
Trade, Transportation & Utilities	80.2	80.1	-0.1	-0.1%
Wholesale Trade	16.4	16.7	0.3	1.8%
Retail Trade	53.0	52.5	-0.5	-0.9%
Transportation, Warehousing & Utilities	10.9	10.9	0.0	0.0%
Information	10.8	10.7	-0.1	-0.9%
Financial Activities (including Real Estate)	34.0	34.5	0.5	1.5%
Professional & Business Services	53.6	55.3	1.7	3.2%
Professional & Technical Services	20.0	20.9	0.9	4.5%
Administrative & Waste Services	25.1	25.7	0.6	2.4%
Educational & Health Services	92.9	95.3	2.4	2.6%
Educational Services	21.4	22.3	0.9	4.2%
Health Care & Social Assistance	71.5	73.0	1.5	2.1%
Leisure & Hospitality	49.9	50.3	0.4	0.8%
Arts, Entertainment & Recreation	7.4	7.5	0.1	1.4%
Accommodation & Food Services	42.5	42.8	0.3	0.7%
Other Services	23.4	23.2	-0.2	-0.9%
Government	65.5	65.1	-0.4	-0.6%
Federal Government	10.0	9.8	-0.2	-2.0%
State Government	17.4	17.4	0.0	0.0%
Local Government	38.1	37.8	-0.3	-0.8%

Note: Represents a job count by place of work. Data may not be additive.

A Product of the

Labor Market Information Unit - Rhode Island Department of Labor and Training

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Establishment Employment in

Construction

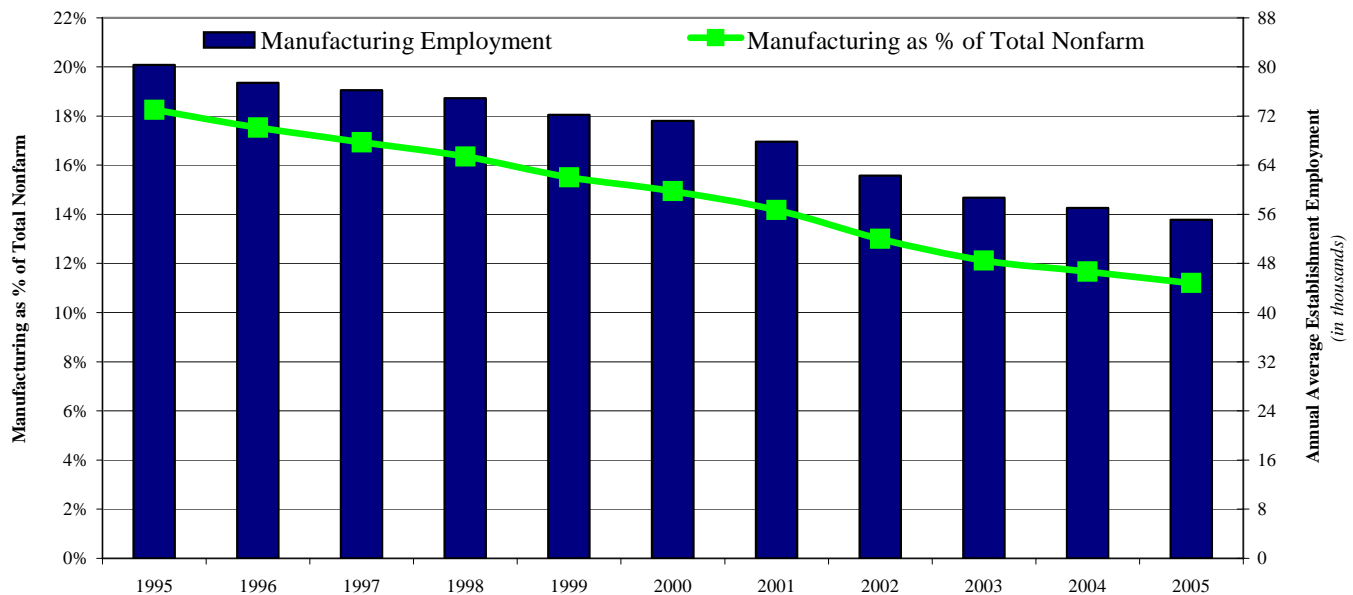
Construction firms added 900 jobs between 2004 and 2005. This 4.3 percent growth in annual average employment was the largest reported by any sector. Over the year, Specialty Trade employment, which includes framing, masonry, roofing, electrical, and plumbing contractors, increased by 5.2 percent (+700).

Manufacturing

Manufacturing employment continued to decline in 2005. A decade ago, Rhode Island's Manufacturing industries employed more than 80,000 people, accounting for 18 percent of the state's annual average establishment employment total. Today, that share has fallen to just 11.2 percent, as Manufacturing businesses reported an average of 55,100 jobs in 2005. During this period, approximately 25,000 Manufacturing jobs have been lost in the Ocean State, a decline of 31.4 percent.

Statewide, Manufacturing firms shed 1,900 jobs over the year, a 3.3 percent decline in annual average employment. Of the five Manufacturing industries measured, four reported over-the-year job losses, including Computer & Electronic Product (-400), Miscellaneous (-300), Fabricated Metal Product (-200), and Plastics & Rubber Products (-100) Manufacturing. Chemical Manufacturing employment remained unchanged.

**Annual Average Establishment Employment in Manufacturing
1995-2005**



Trade, Transportation, & Utilities

This aggregated structure, which includes Retail Trade, Wholesale Trade, and Transportation, Warehousing & Utilities, employed an average of 80,200 people in 2005, representing an over-the-year loss of 100 jobs (-0.1%).

Retail Trade firms employed an average of 52,500 people in 2005, down 500 jobs (-0.9%) from its revised 2004 level. It remains the state's fourth largest industry sector (by annual average establishment employment), trailing Health Care & Social Assistance (73,000), Government (65,100), and Manufacturing (55,100). Over the year, General Merchandise Stores added 100 jobs, while Health & Personal Care Stores employment remained even.

Wholesale Trade establishments added 300 jobs in 2005. This 1.8 percent increase brought the industry sector's establishment employment total to 16,700 jobs.

Annual average Transportation, Warehousing & Utilities employment remained unchanged in 2005, at 10,900 jobs.

Rhode Island by Industry Sector

Information

The Information industry sector, which includes Publishing, Broadcasting, and Telecommunications industries, trimmed 100 jobs (-0.9%) over the year. Publishing firms accounted for 3,300 of the state's 10,700 Information jobs in 2005.

Financial Activities

Financial Activities (including Real Estate) businesses accounted for 34,500 jobs in 2005, representing an over-the-year increase of 500 jobs (+1.5%). Credit Intermediation & Related Activities, which includes savings institutions, credit unions, and mortgage brokers, accounted for 13,400 jobs, 600 (+4.7%) more than its 2004 level. Over the year, Insurance Carriers & Related Activities firms shed 400 jobs (-3.7%), employing an average of 10,400 people in 2005.

Professional & Business Services

This aggregated structure, which includes Professional, Scientific & Technical Services and Administrative & Waste Services, employed an average of 55,300 people in 2005, a 3.2 percent (+1,700) increase over its revised 2004 employment level.

Professional, Scientific & Technical Services businesses, including legal and payroll services, employed 20,900 people in 2005, an increase of 4.5 percent (+900) from the industry sector's 2004 annual average.

Administrative & Waste Services establishments boosted their payrolls by 600 jobs (+2.4%) in 2005, employing an average of 25,700 people. Half of this employment growth occurred in Employment Services, which added 300 jobs (+2.8%) over the year.

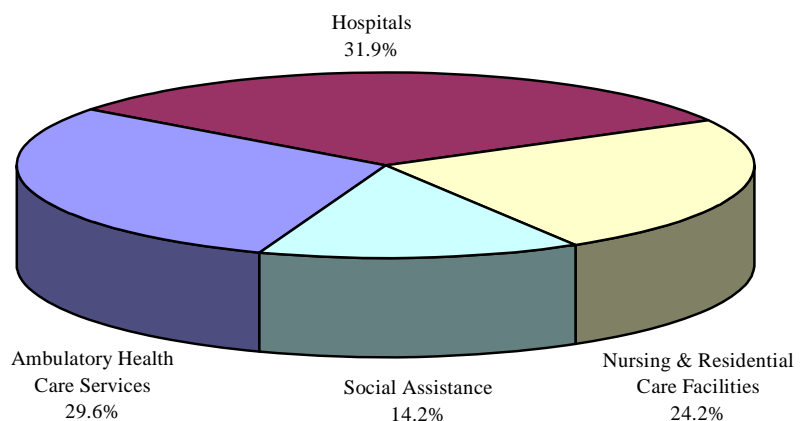
Educational & Health Services

Annual average employment in private Educational Services increased by 900 jobs (+4.2%) in 2005. This extended the industry sector's streak of annual employment growth to seven years. Today, 22,300 people work in Educational Services, which includes the state's private schools, colleges, universities, trade schools, and sports instruction camps.

Accounting for an average of 73,000 jobs in 2005, Health Care & Social Assistance ranks as the Ocean State's largest employer by industry sector. Over the year, 1,500 jobs were added to the local economy, a 2.1 percent increase. During the past decade, Rhode Island has benefited from the addition of more than 12,000 healthcare- and social assistance-related jobs, a 20.5 percent increase in annual average employment.

Three of the four Health Care & Social Assistance sub-sectors reported job growth between 2004 and 2005. Ambulatory Health Care Services jobs increased by 800, a 3.8 percent rate of growth. The state's private Hospitals added an additional 500 jobs (+2.2%), boosting their annual average employment level to 23,300 jobs in 2005. Also, 100 Social Assistance jobs were created during this period, a 1.0 percent increase. Offsetting this growth was a 100 job decline in Nursing & Residential Care Facilities (-1.0%).

**Annual Average Employment in
Health Care & Social Assistance, 2005**



Establishment Employment by Industry Sector continued...

Leisure & Hospitality

This aggregated structure, which includes Arts, Entertainment & Recreation and Accommodation & Food Services, employed an average of 49,900 people in 2005, a 0.8 percent (+400) increase over its revised 2004 employment level.

The state's Arts, Entertainment, & Recreation industry sector, which includes establishments engaged in the performing arts, spectator sports, and museums, employed 7,500 people in 2005. This represented an increase of 100 jobs (+1.4%) over the year.

Establishments engaged in the Accommodation industry added 200 jobs to the local economy between 2004 and 2005, an increase of 5.4 percent. An average of 3,900 people were employed in the state's hotels, motels, boarding houses, and RV parks throughout 2005.

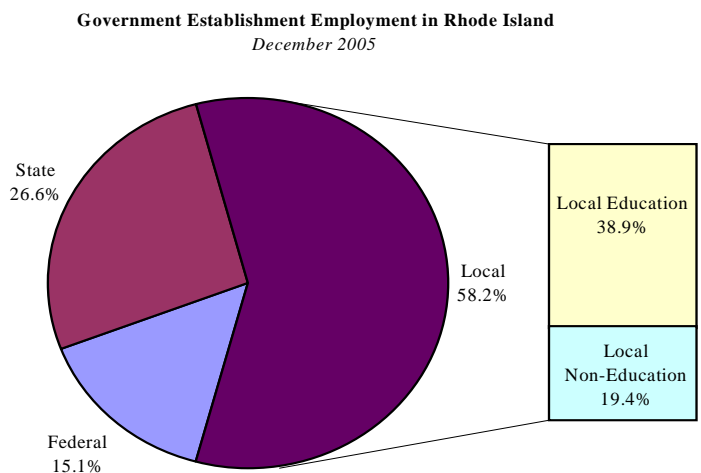
Food Services & Drinking Places accounted for roughly 39,000 jobs in 2005, a 200 job (+0.5%) increase over its revised 2004 level. This employment was partially divided among Full-Service Restaurants (18,100) and Limited-Services Eating Places (14,900), both of which reported minor employment growth (+100 and +200 jobs, respectively) between 2004 and 2005.

Other Services

Other Services, which includes automotive and electronic repair shops, personal care services, and civic and social organizations, shed 200 jobs in 2005. This represented an over-the-year decline of 0.9 percent, bringing total industry sector employment to 23,200 jobs.

Government

Overall, Government employers trimmed 400 jobs from their payrolls in 2005, a 0.6 percent decline. The sector's 65,100 jobs were divided among the Federal (9,800), State (17,400), and Local (37,800) levels. Between 2004 and 2005, annual average State Government employment remained unchanged, while the Federal and Local segments reported declines of 200 and 300 jobs, respectively.



The Current Employment Statistics (CES) program, conducted in cooperation with the Bureau of Labor Statistics, is a monthly survey of Rhode Island employers who voluntarily provide a count of employees, hours worked, and wages paid. CES currently produces estimates on non-farm establishment employment and hours and earnings for production workers in the Manufacturing sector. The CES data in this report refers to annual averages and is benchmarked through March 2005.

Data may not be additive due to rounding and disclosure standards.

A special word of thanks is extended to those employers who participate in this survey.

For more information on the CES program, please visit www.dlt.ri.gov/lmi/ces.htm.

For more Rhode Island Labor Market Information...

At LMI, our mission is to conduct economic research and analysis that promotes a better understanding of the Rhode Island economy. Our data, including a variety of publications, are available on-line at: www.dlt.ri.gov/lmi/. If you have any questions or would like further information regarding Rhode Island's labor market conditions, please contact us at (401) 462-8740. We look forward to hearing from you!

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